

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

V.G.M., et al.,
Plaintiffs,

v.

CITY OF SALINAS, et al.,
Defendants.

Case No. 19-cv-08007-BLF

**ORDER APPROVING MINOR'S
COMPROMISE**

[Re: ECF 51]

Plaintiffs have filed a motion for approval of a minor's compromise. *See* Mot., ECF 51. Defendants do not oppose this motion. *See* Statement of Non-Opposition, ECF 54. The Court GRANTS the motion.

"District courts have a special duty, derived from Federal Rule of Civil Procedure 17(c), to safeguard the interests of litigants who are minors." *Robidoux v. Rosengren*, 638 F.3d 1177, 1181 (9th Cir. 2011). "In the context of proposed settlements in suits involving minor plaintiffs, this special duty requires a district court to conduct its own inquiry to determine whether the settlement serves the best interests of the minor." *Id.* (quotation marks and citation omitted). The district court's inquiry is limited to considering "whether the net recovery of each minor plaintiff is fair and reasonable, without regard to the amount received by adult co-plaintiffs and what they have agreed to pay plaintiffs' counsel." *Id.* at 1182.

Upon concluding that a minor's net recovery is fair and reasonable, district courts within the Ninth Circuit commonly order that such funds be deposited into a blocked account for the minor's benefit. *See, e.g. Lily v. Cooper*, No. 19-cv-745-DMS (AGS), 2020 WL 5742933, at *4 (S.D. Cal. Sept. 25, 2020) ("Counsel shall, within 45 days after approval of the minors' compromise, file with the Clerk of Court proof of deposit of funds payable for the minors' benefit

into blocked accounts as required by this Order.”); *Estate of Saucedo v. City of N. Las Vegas*, No. 2:11-cv-02116-GMN-NJK, 2020 WL 2105017, at *1 (D. Nev. Apr. 30, 2020) (approving minor’s compromise and ordering that funds “shall be deposited into a blocked trust account with proof of such deposit provided to the Court within 60 days of this Order”); *S.V. by & through Valencia v. Delano Union Elementary Sch. Dist.*, No. 1:17-cv-00780-LJO-JLT, 2019 WL 2635949, at *3 (E.D. Cal. June 27, 2019), *report and recommendation adopted*, No. 1:17-cv-00780-LJO-JLT, 2019 WL 3253969 (E.D. Cal. July 19, 2019) (“The money will be deposited in a blocked account for the child’s benefit.”).

Defendants have agreed to pay a total settlement amount of \$2,000,000. Mot. 2. The minor’s share of the settlement is 65% or \$1,300,000.00. *Id.* The net settlement to the minor, minus fees and costs, is \$973,900.52. *Id.* 2-3. Of that amount, \$98,900.52 shall be placed in an interest-bearing blocked account at a FDIC-insured financial institution for the benefit of the minor. *Id.* 3. Upon funding, the institution shall immediately disburse a \$7,500.00 cashier’s check to the minor’s guardian ad litem, Ernesto Daniel Rodriguez, made payable to “Ernesto Daniel Rodriguez for the benefit of [minor plaintiff]”. *Id.* 3. The balance of the funds will be paid to the minor on February 8, 2037, her 18th birthday. *Id.* 3.

The remaining \$875,000 of the minor’s net settlement will be paid through a structured settlement annuity policy from United Omaha Life Insurance Company. Mot. 4. The payments shall be dispersed as follows:

- a. \$500.00 payable monthly to Ernesto Daniel Rodriguez for the benefit of the minor, guaranteed for 16 years, beginning 02/15/2021, with the last guaranteed payment on 01/15/2037. (To be used to pay for daily living expenses, day care and/or private school tuition);
- b. \$600.00 payable monthly to Ernesto Daniel Rodriguez for the benefit of the minor, guaranteed for 9 years, beginning 08/01/2024, with the last guaranteed payment on 07/01/2033. (To be used to pay for daily living expenses, extra-curricular activities, and/or private school tuition);
- c. \$2,500.00 payable monthly to Ernesto Daniel Rodriguez for the benefit of the minor,

1 guaranteed for 4 years, beginning 08/01/2033, with the last guaranteed payment on
2 07/01/2037. (To be used to pay for daily living expenses, extra-curricular activities,
3 and/or private high school tuition);

4 d. \$3,000 payable monthly to the minor, guaranteed for 12 years, beginning 02/08/2037,
5 with the last guaranteed payment on 01/08/2049;

6 e. \$50,000 payable annually to the minor, guaranteed for 4 years, beginning 08/01/2037,
7 with the last guaranteed payment on 08/01/2040;

8 f. \$50,000 payable to the minor on 02/08/2041 (Age 22), guaranteed;

9 g. \$100,000 payable to the minor on 02/08/2044 (Age 25), guaranteed;

10 h. \$150,000 payable on 02/08/2049 (Age 30), guaranteed;

11 i. \$191,506.22 payable on 02/08/2051 (Age 32), guaranteed

12 Mot. 4-6.

13 The Court finds this proposed distribution to be fair and reasonable to the minor plaintiff,
14 as required under *Robidoux*, and GRANTS the motion.

15 ORDER

16 The motion for approval of minor's compromise (ECF 51) is GRANTED.

17 The Court APPROVES the settlement of the minor's claims against Defendants, as
18 compromised pursuant to the terms of the settlement reached among the parties, and as further
19 described in the motion for approval of minors' compromise (ECF 51) and this order.

20 Plaintiffs' counsel SHALL deposit the \$98,900.52 into a blocked account for the minor's
21 benefit, and Defendants SHALL pay the remaining \$875,000 for purchase of the annuity. The
22 receipt for purchase of the annuity is to be filed with the Court within 60 days, as set out in
23 paragraph 19 of the motion. Plaintiffs' counsel shall inform the Court when the deposit into the
24 blocked account is completed.

25 The Court APPROVES the distribution of the attorneys' fees and costs to counsel as set
26 forth in the motion.

IT IS SO ORDERED.

Dated: March 30, 2021

A handwritten signature in black ink, reading "Beth Labson Freeman". The signature is written in a cursive, flowing style.

BETH LABSON FREEMAN
United States District Judge

United States District Court
Northern District of California